

March 12, 2018

Casey Brendon  
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By email: casey.brendon@toronto.ca

Re: City of Toronto Third Party Sign Tax Report

On behalf of Branded Cities Canada (formerly Clear Channel Outdoor Canada), I am pleased to respond to Staff in respect to its draft report and recommendations. We appreciate the time and detail that Staff have undertaken in this matter.

We are in general agreement with the approach the City has taken in this matter. We would like to provide a few suggestions for the City's further consideration:

1. The City should create a new sign class that could capture smaller digital signs, at a lesser rate than current Class 5 (large digital), in recognition of cost-economics associated with smaller signs and to generate additional Sign Tax revenue from future potential growth;
2. We are not resolved that increasing the current Class 5 (large digital) is appropriate beyond basic CPI. Large format digital signs, common to the Dundas Square district were intended under the existing Bylaw and have extensive capital and operating costs separate from the proposed tax. It is also unlikely that large digital signage growth will occur and therefore increasing the current Class 5 is potentially punitive to select signs and vendors only;
3. The City should ensure that it clearly defines the description of the sign(s), for purposes of taxation as follows:
  - a. Sign(s) should be described in all nomenclature in order to remove any ambiguity (ex. Static Signage, Digital Signage),
  - b. Sign(s) should be assessed based upon total aggregate size,
  - c. It should be clearly articulated that, regardless of the quantity of signage affixed to a structure, only one tax may be levied per structure, and
    - i. That where multiple sign faces exist on a structure, the highest technology and/or the largest sign attribute shall determine the Sign Tax applicable.
4. Future increases (we propose five (5) years) should be limited to CPI.

We believe that in order for the City and the OOH industry to fully assess and appreciate the proposed changes to the Sign Tax, it would be beneficial to review concurrent with the upcoming Signage Bylaw proposed changes. In doing so, we could determine if the OOH landscape of Toronto was growing, regressing or remaining neutral. This would assist the City in future planning of Sign Tax revenue.

Thank you again for the considerable time and thoughtful approach demonstrated in this important matter.

Handwritten signature of Paul C. Seaman in black ink.

Paul C Seaman  
Vice President, Real Estate & Public Affairs

cc.

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